GOVERNMENT OF INDIA
WATER RESOURCES
LOK SABHA

UNSTARRED QUESTION NO:3970
ANSWERED ON:19.04.2000
SETTING UP OF A IRRIGATION FUND
ARUN KUMAR;SHANKERSINH VAGHELA

Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the Government propose to set up a fund with an amount of Rs.3,500 crore to extend financial assistance to the irrigation sector in the country;

(b) if so, the details thereof;

(c) whether the Government have identified the sources to mobilise the funds for the purpose;

(d) if so, the details thereof; and

(e) the heads under which loans/financial assistance is propose to be granted out of the above fund ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES

(SMT. BIJOYA CHAKRAVARTY)

(a) to (e) There is no proposal before the Government to setup a fund of Rs.3500 crore to extent financial assistance to the irrigation sector in the country. However, with a view to supplement the Plan allocation so that more and more land may come under assured irrigation, Government of India is providing Central Loan Assistance (CLA)to the State Governments to enable them to complete selected ongoing major & medium irrigation projects under Accelerated Irrigation Benefits Programme (AIBP) whichwas launched in the year 1996-97. According to the latest revised funding pattern with effect from the financial year 1999-2000, the CLA is being released in 3:1 (Centre: State) ratio to the Special Category States comprisingthe North-EasternStates, hilly Statesof Jammu & Kashmir, Himachal Pradesh and Sikkim as well as Kalahandi, Bolangirand Koraput districts of Orissa whereas, the ratio is 2:1 for other General Category States. So farCLA amounting to Rs. 4026.14 crore comprising Rs.3963.43crore for major & medium projects and Rs.62.71 crore for minor irrigation schemes has been released to various States. Moreover, under Rural Infrastructure Development Fund

(RIDF) launched in 1995-96 and managed by NABARD,Rs.3500 crore was allocated during, 1999-2000 from the Banking sector for RIDF-Vfor financing rural infrastructure projects which include irrigation projects and flood control. During this year 2000-01, the corpus of RIDF-VI isproposed to be increased to Rs.4500 crore and the interest charged on this lending is to be reduced by half a percent.